

HOUSE BILL No. 2162

By Committee on Taxation

1-25

1 AN ACT concerning sales taxation; relating to time for payment of tax;
2 amending K.S.A. 2016 Supp. 79-3607 and repealing the existing
3 section.
4

5 *Be it enacted by the Legislature of the State of Kansas:*

6 Section 1. K.S.A. 2016 Supp. 79-3607 is hereby amended to read as
7 follows: 79-3607. (a) Retailers shall make returns to the director at the
8 times prescribed by this section in the manner prescribed by the director,
9 including electronic filing, upon forms or format prescribed by the director
10 stating: (1) The name and address of the retailer; (2) the total amount of
11 gross sales of all tangible personal property and taxable services rendered
12 by the retailer during the period for which the return is made; (3) the total
13 amount received during the period for which the return is made on charge
14 and time sales of tangible personal property made and taxable services
15 rendered prior to the period for which the return is made; (4) deductions
16 allowed by law from such total amount of gross sales and from total
17 amount received during the period for which the return is made on such
18 charge and time sales; (5) receipts during the period for which the return is
19 made from the total amount of sales of tangible personal property and
20 taxable services rendered during such period in the course of such
21 business, after deductions allowed by law have been made; (6) receipts
22 during the period for which the return is made from charge and time sales
23 of tangible personal property made and taxable services rendered prior to
24 such period in the course of such business, after deductions allowed by law
25 have been made; (7) gross receipts during the period for which the return
26 is made from sales of tangible personal property and taxable services
27 rendered in the course of such business upon the basis of which the tax is
28 imposed. The return shall include such other pertinent information as the
29 director may require. In making such return, the retailer shall determine
30 the market value of any consideration, other than money, received in
31 connection with the sale of any tangible personal property in the course of
32 the business and shall include such value in the return. Such value shall be
33 subject to review and revision by the director as hereinafter provided.
34 Refunds made by the retailer during the period for which the return is

1 made on account of tangible personal property returned to the retailer shall
2 be allowed as a deduction under ~~subdivision~~ *paragraph* (4) of this section
3 in case the retailer has theretofore included the receipts from such sale in a
4 return made by such retailer and paid taxes therein imposed by this act.
5 The retailer shall, at the time of making such return, pay to the director the
6 amount of tax herein imposed, except as otherwise provided in this
7 section. The director may extend the time for making returns and paying
8 the tax required by this act for any period not to exceed 60 days under such
9 rules and regulations as the secretary of revenue may prescribe. When the
10 total tax for which any retailer is liable under this act, does not exceed the
11 sum of ~~\$80~~ **\$400** in any calendar year, the retailer shall file an annual
12 return on or before January 25 of the following year. When the total tax
13 liability does not exceed ~~\$3,200~~ **\$4,000** in any calendar year, the retailer
14 shall file returns quarterly on or before the 25th day of the month following
15 the end of each calendar quarter. When the total tax liability exceeds
16 ~~\$3,200~~ **\$4,000** in any calendar year, the retailer shall file a return for each
17 month on or before the 25th day of the following month. ***Prior to July 1,***
18 ***2018,*** when the total tax liability exceeds ~~\$32,000~~ **\$40,000** in any calendar
19 year, the retailer shall be required to pay the sales tax liability for the first
20 15 days of each month to the director on or before the 25th day of that
21 month. Any such payment shall accompany the return filed for the
22 preceding month. A retailer will be considered to have complied with the
23 requirements to pay the first 15 days' liability for any month if, on or
24 before the 25th day of that month, the retailer paid 90% of the liability for
25 that fifteen-day period, or 50% of such retailer's liability in the immediate
26 preceding calendar year for the same month as the month in which the
27 fifteen-day period occurs computed at the rate applicable in the month in
28 which the fifteen-day period occurs, and, in either case, paid any
29 underpayment with the payment required on or before the 25th day of the
30 following month. Such retailers shall pay their sales tax liabilities for the
31 remainder of each such month at the time of filing the return for such
32 month. Determinations of amounts of liability in a calendar year for
33 purposes of determining filing requirements shall be made by the director
34 upon the basis of amounts of liability by those retailers during the
35 preceding calendar year or by estimates in cases of retailers having no
36 previous sales tax histories. The director is hereby authorized to modify
37 the filing schedule for any retailer when it is apparent that the original
38 determination was inaccurate.

39 (b) All model 1, model 2 and model 3 sellers are required to file
40 returns electronically. Any model 1, model 2 or model 3 seller may submit
41 its sales and use tax returns in a simplified format approved by the
42 director. Any seller that is registered under the agreement, which does not
43 have a legal requirement to register in this state, and is not a model 1,

1 model 2 or model 3 seller, may submit its sales and use tax returns as
2 follows: (1) Upon registration, the director shall provide to the seller the
3 returns required;

4 (2) seller shall file a return anytime within one year of the month of
5 initial registration, and future returns are required on an annual basis in
6 succeeding years; and

7 (3) in addition to the returns required in subsection (b)(2), sellers are
8 required to submit returns in the month following any month in which they
9 have accumulated state and local sales tax funds for this state in the
10 amount of \$1,600 or more.

11 Sec. 2. K.S.A. 2016 Supp. 79-3607 is hereby repealed.

12 Sec. 3. This act shall take effect and be in force from and after
13 **January 1, 2018, and** its publication in the statute book.